



MMEX Resources Corporation  
Shareholder Update

May 30, 2019

Dear Shareholders,

We would like to update you since our last Shareholder Letter on April 15, 2019.

*Product Off-Take Agreements.* We have now reached agreement for our Residual Fuel (“ATBs”) off-take with a super-major energy and trading company. We will rail the ATBs to the Texas Gulf Coast Markets points of delivery they designate. Our Residual fuel oil that is planned to meet the [IMO 2020 Sulphur](#) standard is a highly sought- after marine fuel beginning January 1, 2020. Along with our projected Diesel sales, these two agreements place 70% of our planned production under off-takes with extremely strong balance sheet buyers. We are continuing our negotiations for Naphtha production with the points of delivery the remaining open item. Once the Naphtha agreement is signed, this will complete our product off-take slate, which along with our EPC contracts are the pathway to our financing. Along with our signed diesel off-take at our plant tailgate, all three agreements contain call provisions by the counter parties on our additional capacity and production.

*Rail Logistics.* We have signed an agreement with an international rail logistics company to provide the planning, design, and configuration of rail lines, switches, leasing of cars, management of logistics (moving and scheduling rail to and from storage terminals and delivery points) and other rail-related transportation to serve the [Project](#). This company represents several clients for rail logistics to the Texas Gulf Coast, and Eastern and Western Mexico including Pemex International, the Mexican National oil trading company. With about 60% of our projected production moving by rail, the rail package is a critical component. We are excited to have our project part of their portfolio.

*Financing.* We continue negotiations on our potential debt and equity financing. We hope to be able to issue more information shortly.

*Dark Sky Initiative.* We will be employing the McDonald Observatory [Dark Sky Initiative](#) mandate in our construction and operations which mitigates our ambient light footprint. We are joining several other western Permian Basin major operators in

managing oil field lighting operations to support the telescope work of the Observatory. As part of this program, we were invited this past week for a personal special tour of the three telescopes that make up the McDonald Observatory, one of which is the largest telescope of its kind in the world. We have posted some pictures of our visit and encourage you to view them here on our Home Page. We highly recommend a visit to the [McDonald Observatory](#) in Ft. Davis, Texas approximately 100 miles west of our site.

*TXPF Track Upgrades and the Presidio-Ojinaga Bridge Construction.* Last week on our site visit we were able to see first-hand the TXPF rail improvement project from the Sulphur Junction 9-mile section toward Fort Stockton. This section transverses our site. This week we went to Presidio, Texas to view the TXPF bridge construction at the Presidio-Ojinaga Mexico border scheduled to be completed this June 2019. We look forward to completion of the TXPF work program with enhanced and greater access to markets in Western Mexico by rail. We have included [pictures of both the improvement project and the bridge construction on our website](#).

*World Fuel Oil Summit- Cyprus.* On Friday, May 17, MMEX presented its proposed 10,000BPD CDU project at the 12th World Fuel Oil Summit, in Cyprus. The event is organized by Axelrod Energy Projects. The event's focus this year, was the imminent application, in January 2020, of the International Maritime Organization (IMO) regulation requiring the shipping industry to use fuel oil with less than 0.5% sulfur content, down from 3.5% ( see Hyperlink above). The change is one of the most important for the bunker and refining industry in the last fifty years. 30% of MMEX' CDU output is expected to be a Residual fuel, with low-sulfur characteristics, that make it a highly-relevant, and sought-after blending product in the U.S Gulf Coast markets.

Please send your requests and comments to [investorrelations@mmexresources.com](mailto:investorrelations@mmexresources.com) and we will continue to update you by news releases, our SEC filings posted on the Investor page and through these shareholder letters. If you have not yet done so, please find our most recent releases and news items on the home page or investor page of our website at [mmexresources.com](http://mmexresources.com).

Thank you again for your support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jack W. Hanks". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jack W. Hanks  
President and CEO

*The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: Except for the historical information contained herein, the matters discussed in this shareholder letter are forward-looking statements that involve risks and uncertainties, which could cause our actual results to differ materially from those described in the forward-looking statements. These risks include but are not limited to general business conditions, the requirement to obtain financing to pursue our business plan, our history of operating losses and other risks detailed from time to time in the Company's SEC reports. MMEX undertakes no obligation to update forward-looking statements.*

*This letter to shareholders does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities.*